



Training Proposal for:
Omni Hotels Management Corporation dba Omni Los Angeles Hotel
Agreement Number: ET12-0227

Panel Meeting of: **December 16, 2011**

ETP Regional Office: **North Hollywood**

Analyst: M. Reeves

PROJECT PROFILE

Contract
Type: Retrainee

Industry
Sector(s): Services

Counties
Served: Los Angeles

Repeat
Contractor: ☒ Yes ☐ No

Union(s): ☐ Yes ☒ No

Priority
Industry: ☐ Yes ☒ No

No. of Employees in CA: 750

No. of Employees Worldwide: 18,500

Turnover Rate %	Manager/ Supervisor %
18%	8%

FUNDING DETAIL

Program Costs	Substantial Contribution	Total ETP Funding
\$400,920	\$60,138	\$340,782

In-Kind Contribution
\$450,000

TRAINING PLAN TABLE

Job No.	Job Description (by Contract Type)	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee	Business Skills, Computer Skills, Continuous Improvement	257	24 - 200	0	\$1,326	\$15.37
				Weighted Avg: 104			

Minimum Wage by County: \$15.37 per hour for Los Angeles County

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No

\$4.25 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation	
Occupation Title	Wage Range
Customer Service Staff	
Housekeeping Staff	
Lead Staff	
Manager	
Marketing Staff	
Service Staff	
Supervisor	
Support Staff	

INTRODUCTION

In this proposal, Omni Hotels Management Corporation dba Omni Los Angeles Hotel (Omni) seeks funding for retraining as outlined below:

Omni provides luxury accommodations and convention/conference resources to corporate business and upscale leisure travelers. Located in the heart of downtown Los Angeles, Omni operates in a competitive marketplace. Guest services include a business center, full-service restaurant, high speed internet access, in-room exercise, meeting rooms, and on-site fitness center.

Omni is eligible for ETP funding under the out-of-state competition provisions as a convention/conference hotel that derives at least 25% of its gross annual revenue from out-of-state visitors. (Title 22, California Code of Regulations, Section 4416(g).) Omni has two additional hotels in California located in San Diego and San Francisco. This training proposal will target 257 of Omni Los Angeles' 275 workers.

PROJECT DETAILS

In March 2011, Omni completed a \$15 million renovation of the hotel property. Further, Omni plans to invest an additional \$300,000 in new equipment in 2012 as the hotel implements a Contemporary Service Model. This new approach includes an entirely new strategy for guest rooms, conferences, catering, and housekeeping. This new service transition will impact the entire organization. The goal is to transform the facility and its services from a traditional hotel to a contemporary hotel with custom themes and menus.

The proposed training is intended to facilitate the hotel's adoption of new business practices that are designed to enhance sales, improve employee productivity, and create an environment that brings about a more satisfying experience for guests.

Training will take place on-site at the hotel and will be provided by a combination of in-house subject matter experts and skilled training vendors.

Business Skills training will be provided to all trainees. This training will emphasize Omni's transformation to a contemporary hotel. Trainees will learn the importance of adapting to change and promoting the hotel's new business strategy.

Computer Skills training will be provided most trainees including Customer Service Staff, Leads, Managers and Supervisors, Marketing Staff, Service Staff, and Support Staff. Omni has determined that employees need to be trained on computer technologies that are not currently being utilized to their full potential, such as Web conferencing technology, Smartphone, Internet, internal customer software, and MS Office applications.

Continuous Improvement training will be provided to all trainees. Training will focus on problem solving techniques, service quality, change management, team building, and leadership development.

Omni's new business strategy will affect all aspects of the organization and training delivery will vary by job function. Marketing Staff is scheduled to receive between 130-200 hours of training from the proposed curriculum, thus accounting for the highest concentration of instruction. The company plans to deliver 80-120 hours of training to Customer Service, Lead, Service, and Support Staff. Managers and Supervisors are scheduled to receive 100-130 hours of training. The company anticipates that Housekeeping Staff will receive 40-60 hours of training in Business Skills and Continuous Improvement topics.

Commitment to Training

Omni represents that ETP funds will not displace the company's existing financial commitment to training and anticipates that the opportunity for enhanced training made possible by ETP funds will encourage an ongoing financial commitment in this area.

Omni's past training has consisted of new employee orientation, sexual harassment prevention, and informal, on-the-job training. The company's currently annual training budget is approximately \$50,000. The company represents that safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

Omni's prior ETP project focused on the implementation of the company's brand-wide reservation and customer information system. Omni's representative states that the training outlined in this proposal is new to employees and will focus primarily on the successful implementation of its new Contemporary Service Model. At the completion of ETP-funded training, Omni is committed to providing additional resources to support further skills development in the areas of effective equipment utilization, company support, functional service, and customized service.

Substantial Contribution

Omni is a repeat contractor with payment earned in excess of \$250,000 at the Los Angeles facility within the past five years. (See Prior Project Table) Accordingly, reimbursement for trainees at the Los Angeles facility will be reduced by 15% to reflect the company's \$60,138 Substantial Contribution to the cost of training.

RECOMMENDATION

For the reasons set forth above, staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by Omni under ETP Agreements that were completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned
ET09-0559	Los Angeles	04/06/09 – 04/05/11	\$124,800	\$124,800
ET07-0266	Los Angeles	02/06/07 – 02/05/09	\$196,800	\$196,800

DEVELOPMENT SERVICES

Omni retained National Training Company, Inc. (NTC) in Irvine to assist with development of this proposal for a flat fee of \$10,000.

ADMINISTRATIVE SERVICES

Omni also retained NTC to perform administrative services in connection with this proposal for a fee of \$44,301, which will not exceed 13% of payment earned.

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab Hours**

24 – 200

Trainees will receive any of the following:

COMPUTER SKILLS

- MS Office (Intermediate and Advanced)
- Internal Customer Applications
- Payment Card Industry (PCI)
- Smartphone Technology
- Internet Technology
- Web Conferencing
- Video Conferencing

BUSINESS SKILLS

- The Contemporary Service Model
- Contemporary Banquet Procedures
- Contemporary Service Procedures
- Contemporary Food Production
- Contemporary Customer Service
- Product Policies and Procedures
- Special Orders
- Customer Satisfaction
- Effective Equipment Utilization
- Operating Procedures
- Company Support
- Improving Customer Contact
- Effective Communication
- Interpersonal Service
- Functional Service
- Price/Value
- Engaging the Customer
- Customized Service
-

CONTINUOUS IMPROVEMENT

- Team Problem Solving
- Change Management
- Kaizen
- Best Work Practices
- Team Communication
- The Competency Model
- Cost Reduction
- Improving Service Quality
- Building Teams
- Developing Leaders

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.
